The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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Justice delayed is justice denied.—Gladstone.

WHOLE NO. 1133. WILLIAM GREEN, President WASHINGTON, D. C., SATURDAY, DECEMBER 24, 1932 FRANK MORRISON, Secretary VOL. 22, NO. 42.

Pay Cuts for Government Employes

By WILLIAM GREEN

President, American Federation of Labor

William Green, president of the American Federation of Labor, issued the following statement from the headquarters of the Federation in Washington condemning further reductions in the pay of Government employes and declaring against a continuation of the pay cut imposed upon them through the so-called furlough plan adopted by the last session of Congress:

"The threat of a further reduction in the pay of Government employes and the proposal that the so-called furlough plan be continued is having a most harmful effect upon the general unemployment situation throughout the Nation.

"Its evil effect was reflected in the failure of the recent Community Chest campaigns and in the decline in the volume of the sale of goods by the merchants throughout the Nation.

"In the District of Columbia this depressed condition is especially keen.

"Any salary-cutting plan forced upon Government employes is bound to create a bad psychological condition, paralysis in buying power, a decline in the volume of business and increased unemployment. Its net result is to add to the Nation's distress and to the sum total of human misery.

"The American Federation of Labor is definitely and unrelentingly opposed not only to a further reduction in the pay of Government employes, but also to a continuation of the pay cut imposed upon them through the so-called furlough plan adopted at the last session of Congress.

"Labor throughout the Nation is aroused in its opposition to the onslaught which is being made upon the wage and living standards of their fellow-workers in the Government service.

"Labor everywhere regards the fight of the employes of the Federal Government against lowered living standards as its fight.

"The cause of the Government employes is Labor's cause.

"The full moral and political power of Labor throughout the entire country is being mobilized in support of Government employes and against the wage-cutting policy which some members of Congress and some representatives of the Government seem determined to force upon them.

"The furlough of Government workers without pay, the abolition of sick leave and vacation periods, the discrimination practiced against many efficient Government workers and the interpretation which has been placed upon the Economy Act, have resulted in confusion in Government departments and great injustice to Government employes.

"The Economy Act must be repealed.

"It does not represent the spirit, conscience or heart of the people who make up our great Government.

"It causes millions of working people to smart under a sense of injustice.

"The American Federation of Labor will never cease its efforts to bring about the repeal of the so-called Economy Act.

"If this session of Congress fails to right the wrong imposed upon Government employes we are confident some future session will do so.

"Conferences of the representatives of Labor have been held at the Headquarters of the American Federation of Labor.

"Through this procedure the forces of Labor are being united and the full strength of Labor's army is being concentrated in its opposition to the attack which is being made upon the wage and working conditions of Government employes.

"Future meetings will be held at stated periods so that the campaign for decent wages and humane conditions of employment for Government employes may be carried forward to ultimate success.

"From these meetings there will issue a call to Labor and its friends in all the cities, towns and communities throughout the Country to rally to the support of Government employes.

"The great fight led by the American Federation of Labor will have for its purpose justice for Government workers and the establishment of wage standards commensurate with the requirements of American citizenship for all workers in all walks of life.

"This fight will be carried on until it is won."

Congress Should Crimp Child Labor Exploiters

The supreme duty of the Nation is to see to it that the children of America, our future citizens, have the advantages of our schools.

To deprive them of the right to an education is little less than treason to the social policy of our Republic.

Yet in every section of our country thousands and thousands of children are denied this right by a reactionary combination of pagan employers who do not hesitate to coin the tender bodies and minds of children into profits, pagan legislatures which give legislative sanction to indecently low child labor standards, and pagan administrative boards which enforce child labor and school attendance laws with scant regard for the welfare of the children.

The Federal Census of 1930 revealed that over two million boys and girls between the ages of 10 and 18 were gainfully employed. During the decade covered by the Census it was shown that in some States there was an actual increase in the employment of children between the ages of 10 and 15 years in manufacturing, trade and other non-agricultural occupations.

The United States Office of Education declares there is no evidence of any material diminution in the number of employed children since the Census.

The employment of children at any time is a social crime. It becomes doubly monstrous during a period like the present when over eleven million adults are unemployed and consequently without the means to buy a living.

The United States Office of Education points out that while compulsory school attendance laws are quite general they are littered with exceptions that largely nullify their protective features and make them of little worth in restraining the greed of child labor employers. This is equally true of the States which have compulsory education laws until the children are 18 years of age and other States where in certain instances employers are permitted to take children 15 years of age from school and put them to work in manufacturing and other establishments.

In some States the authorities have so little regard for either the rights of children or their parents as to exempt from school attendance children who have no means of support or whose parents are in destitute circumstances.

Senator Robert F. Wagner of New York recently drew attention to this continuing evil of child labor in a speech in the United States Senate on the relation of child labor to the unemployment of adults.

"These children ought to be in school, receiving their training for citizenship and life," he said. "Instead, they are denied the opportunities which should be theirs. Under modern conditions of productivity we should need the services of these children. . . . and the greater contribution to our own and the Nation's prosperity is to equip them to participate effectively in the economic struggle when they grow up."

Congress has the power to materially decrease the number of employed children, stimulate the enforcement of child labor and school attendance laws, and thus effectively crimp the antisocial activities of child labor exploiters. It should use its power to the limit.

This power rests on the authority which Congress has to apply limitations to the expenditure of all Federal funds.

The present law carrying an appropriation of $120,000,000 for Federal aid in the construction of highways contains two drastic limitations.

The first limitation declares that none of the money appropriated shall be expended in the construction of highways on which convict labor is directly employed.

The second limitation prescribes that none of the money shall be expended on highway projects where the work week is longer than thirty hours.

Congress is now considering the various appropriation bills for the fiscal year beginning July 1, 1933.

Congress has the power to add to every appropriation bill the proviso that not a dollar of the funds allotted shall be paid to contractors or employers who employ children in violation of either State child labor or compulsory school attendance laws.

In view of the notorious standards of many of these laws and their lax enforcement, Congress should even go further and use the immense buying power of the Federal Government to establish definitely higher standards of child labor than now prevail.

As a measure to reduce the number of children employed and assist in enforcing school attendance laws, Congress should add to every appropriation bill the limitation that none of the funds shall be expended either directly or indirectly, by contract or otherwise, for the employment of any minor under the age fixed in the State child labor laws which have the highest standards or any minor under the age established by the compulsory school attendance laws of States with the highest standards in this field.

This child labor protection restriction on the expenditure of Federal funds is not a new theory or a new application of a theory. Both the theory and the application were adopted by the War Labor Policies Board of the United States Government shortly after Congress declared war against Germany in 1917.

The Board, which included representatives of all the production and purchasing departments of the Government, wrote a similar clause into all Government contracts effective during the period of the war.

In the light of the present emergency, both for children who should be in school and the millions of adult unemployed, Congress should by legislative limitation prohibit the employment of children in either the direct or indirect expenditure of the billions of dollars of Federal appropriations.

Government Interference With Business

Spokesmen for some of the groups who have controlled industry so efficiently that an army of 12,000,000 is pounding the pavement without jobs are engaged in a nation-wide ballyhoo with the slogan that the Government should stop interfering with business.

Among the loudest of these shouters are those who control the public utilities. They are especially bitter against the U. S. Federal Trade Commission for its uncovering of policies practiced by the utility magnates which are clearly against the welfare of the people.

The Commission's latest revelation concerns the Pennsylvania Electric Company, a subholding company of the American Electric Power Company.

Charles P. Nodder, examiner for the Commission, testified that up to the close of 1929 the "write-up" of intangible values in the books of the Pennsylvania concern amounted to at least $17,284,353.

"Write-ups" are arbitrary increases in the value of corporations made by the officials for the purpose of using the inflated value as a justification for increased rates which the consumers must pay for public utility services, and which are used as the basis for selling larger amounts of securities to investors than would be possible without the arbitrary valuation increases.

Concerns using untrue publicity in newspapers and periodicals to persuade consumers to purchase their wares constitute another group firmly opposed to Government interference with business and vehemently denunciatory of the "meddling" activities of the Federal Trade Commission.

The reason for the anger of this group is clear. In its annual report the Commission states that during the year it interfered with this sort of business by eliminating 20,000 misleading advertisements from public print. One of the concerns spotted by the Commission advertised a wrinkle removing lotion which contained nothing but castor oil and a bit of perfume.

Still another group insists that the construction and fabrication of vessels and materials for national defense in Government navy yards without commercial profit, a policy indorsed by the American Federation of Labor, is an extremely vicious form of Government interference with business.

Usually when corporation officials and their journalistic and legislative ballyhoers discuss Government interference with business they mean that the people should not use their Government to protect themselves against the powers that prey on the citizens of the Republic by engaging in activities which are definitely against the public interest.

Every seller of spurious goods, every bank wrecker, and every Kreuger and Insull promoter sings the same song—there must be no Government interference with the activities of business men.

In fact, the most outstanding crusader against Government interference in business was Samuel Insull, whose Middle West Utilities Company house of cards caused hundreds of millions of dollars of losses to the thrifty masses of the United States and whom the United States Government is now seeking to have brought back to this country from his hiding place in Greece to face charges of embezzlement.

Serious-minded people who sincerely believe that the Government should not engage in the manufacture of commodities in general are entitled to the fullest respect for their views.

But thoughtful and progressive people can have nothing but contempt for reactionaries who, with "No Government in business" as their slogan, embark in a campaign against the continuance of those governmental services and functions which patriotic citizens recognize as fundamentally concerned with the public welfare.

Money Not Necessary in Le Roy

While bankers harp about correcting the banking system and Shylock financiers shout themselves blue in the face over the necessity of maintaining the gold standard for money, it is interesting to note that here and there groups of people discover that they can exchange commodities without the use of money, gold standard or any other kind. The citizens of Le Roy, a town in the province of Saskatchewan, Canada, made such a discovery this year.

In Le Roy there is a large cheese factory which is the main source of income for the neighboring farmers and likewise the major element in local business.

In the ordinary course of trade considerable time elapses between the receipt of milk by the factory and the sale of the cheese. In the meantime the farmers have to buy those necessaries of life which they do not produce.

Last summer the banking facilities in Le Roy for financing the farmers became dislocated. The farmers had the milk, the merchants had the goods the farmers required, but the money usually relied upon to exchange the commodities was lacking. The factory management, and the merchants met the situation without either money or banks:

"Coupons issued by the local cheese factory have replaced money in this district, so far as the farmers are concerned. The coupons are accepted by the storekeepers and all those who do business in the Le Roy area.

"During the past summer not a penny was borrowed from the bank to operate the cheese factory, although more than 1,000,000 pounds of milk were purchased on the scrip system from the farmers."

Ordinarily the Le Roy cheese factory management would have borrowed the thousands of dollars from the local bank at a high interest rate to pay the farmers for their milk pending the sale of the cheese, which usually does not take place for considerable time after it is made. This charge was completely eliminated by the use of coupons, which were accepted by the business community in lieu of "money."

Financial difficulties frequently lead people to the discovery that they can live very well without institutions which have been regarded as absolutely inseparable from normal community life. This is what occurred in Le Roy.

HIGHER WAGES, SHORTER HOURS, HELD NECESSARY

A. F. of L. Business Survey Says Jobs for 11,000,000 Idle with Wages Large Enough to Buy Entire Output of Labor Under Mass Production Must Be Provided to End Depression.

Washington.—The major basis for ending the business depression is higher wage rates and shorter hours of labor, declared the Monthly Business Survey of the American Federation of Labor.

"How to put eleven million unemployed back to work and progressively raise living standards until our people can buy the full products of industry is the problem before the American people," said the Survey. "When we have solved this problem, depression will be over and we shall have established a sound basis for future progress."

In criticism of owners and managers of industry for their production policies since the depression, the Survey said:

"Since 1929 we have met the shortage of buying power by reducing production. Men were laid off, buying power reduced still further, and we are now in the grip of a deflation unique in history. We have reduced our production for each person in the population by more than half. 51 per cent, and we are even producing 26 per cent less per person than in 1922."

Pointing out that before the depression those who managed our manufacturing industries kept labor's buying power far below its increased contribution to society in the output of goods while increasing the buying power of managers and owners much above their contribution, the Survey continued:

"Economic growth depends upon a rising standard of living. Mass production must be accompanied with mass buying to operate on a profitable basis. It is possible even under the present circumstances to raise hourly wage rates while reducing weekly work hours. But unless this is accomplished we must look forward to a period of widespread unemployment and curtailed business.

"Every previous great depression has been followed by expansion in some industry which furnished buying power and stimulated business. But we have no industry capable of supplying this stimulus. Expansion must come from a deliberate effort to create mass purchasing power by raising wages and shortening hours."

RAILWAY WAGE PACT EXTENDED NINE MONTHS

Chicago. — Representatives of the twenty-one standard railway unions and the conference committee of railway managers reached a settlement of the railroad wage controversy on the basis of extending for nine months the present agreement with the automatic restoration of the basic pay rates at the end of that period. Under the present agreement, which expires on Jan. 1, a ten per cent is deducted from each pay check of each employe.

The agreement stipulates that neither the managers nor the representatives of the railway labor unions will undertake to secure a change in the basic rates of pay prior to June 1, 1933, and that if a notice of intention to obtain such a change is filed between June 15 and November 1, the proceedings shall be conducted pursuant to the Railway Labor Act in a collective manner and handled to a conclusion as expeditiously as reasonably possible.

The railway unions consider the provision for "collective" adjustment of the wages question as valuable because it obtains national consideration of the problem.

GOLDEN GATE PRINTERS LOOK AFTER OWN JOBLESS

Officials Estimate That San Francisco Typographical Union Has Paid Unemployed Members $160,000 in Two Years.

San Francisco, Calif.—The constructive measures adopted by the San Francisco Typographical Union in providing for its unemployed members during the last three years were described in the Labor Clarion, the official organ of the San Francisco Labor Council.

In September, 1930, with unemployment increasing, the union provided a loan fund of $5,000 for the relief of needy members. Later the union voted an assessment, extending over four months, under which each member paid varying amounts according to earnings, with the provision that members laying off for two days a month and giving the work to the jobless should be exempt from the assessment.

This plan with slight variations was extended and ran until January, 1932. Under these plans cash payments of nearly $30,000 without obligation were made to the union's unemployed.

Then came the third plan which provided that any member working a sixth shift within one week should pay the assessment, and that work given out to avoid the assessment would be in control of the union and be given to unemployed members. The plan runs until next February. Up to the present it has provided 6,500 days work on the Chronicle paper at a cost of $60,000 to the situation holders.

These figures do not include the work voluntarily given out by the regular situation holders in all branches of the printing industry working under agreements with the Typographical Union. The Labor Clarion estimates that this amounts to 2,000 days work with wages of from $25,000 to $27,000.

In addition, during the period from February to October, 1932, the union itself paid nearly $35,000 to its members who had received no employment whatever, at a weekly rate of $8 to single and $14 to married members.

Soviet Union Is Second Largest Producer of Oil

Washington.—The Union of Soviet Socialist Republics has become the second largest producer of petroleum in the world, with the United States ranking first and Venezuela third, according to figures made public by the U. S. Department of Commerce.

From January through September of this year United States production reached 595,198,000 barrels; Soviet Union, 99,160,623 barrels; Venezuela, 85,287,647 barrels; Rumania, 26,918,929 barrels; Persia, 25,381,939 barrels, and Mexico, 24,632,972 barrels.

In the Soviet Union the production and marketing of oil is a government monopoly.

Charlotte Commerce Chamber Starts War On Loan Sharks

Charlotte, N. C.—In addition to the low wages imposed on them by employers, underpaid wage earners in this locality are the victims of loan sharks who stand ready to tide the workers over periods of economic stress provided Shylock's pound of flesh is paid to the usurers.

Mr. Frank Sims, Jr., president of the Junior Chamber of Commerce, after a thorough investigation of the loan shark activities here, declared that the loan sharks are taking $500,000 annually from the community and charging excessive interest rates. He said the chamber would launch a determined war to drive the Shylocks from Charlotte.

FREE LUNCHES FOR 60,000 NEW YORK SCHOOL CHILDREN

New York.—The distressing condition of the children of New York's unemployed workers was poignantly shown by the determination of the public school authorities here to provide hot luncheons each day for 40,000 school children during the Christmas holidays despite the fact that the schools are closed during that period.

Four hundred school buildings were thrown open for the work of the school relief committee, which decided that needy children, some of them dependent upon free lunches for the first time in retirement, should not go hungry during the holidays.

George H. Chatfield, director of the school relief fund, emphasized the representative necessity for providing food and clothing for needy children. He said that last year only 250 school buildings were kept open to feed 25,000 children. This year, on the contrary, children applying for aid through the fund are increasing at the rate of 1,000 a week. The fund is now providing free lunches daily for more than 60,000 children, or about 1,200,000 meals a month.

FIVE-DAY WEEK ADOPTED BY TYPOGRAPHICAL UNION

Newspaper Employes to Go on That Basis Jan. 1—Commercial Printing Offices Will Follow Later.

Indianapolis, Ind.—The members of the International Typographical Union employed by newspapers throughout the United States and Canada will work on a five-day week basis beginning January 1, officials of the union announced upon completing the tabulation of a recent referendum on the subject.

The five-day week was carried by a vote of 21,073 to 13,016.

Under the terms of the adopted plan each union printer in a newspaper plant will be required to miss one day each week, employing a substitute in his place.

Local unions whose members are employed in commercial printing plants are required by the new regulation to negotiate similar contracts with their employers as soon as possible, so that they also will be working only five days weekly.

Woodruff Randolph, secretary of the International Union, in addition to the vote on the five-day week, announced that a proposal which would have changed the membership assessment from $2.50 to $3 as well as one which would have revised the pension system.

SENATOR BLACK SPONSORS BILL TO CUT WORK WEEK

Measure Would Bar from Channels of Commerce Goods Made by Persons Working More Than 30 Hours Weekly.

Washington.—Senator Hugo L. Black of Alabama introduced a bill in the Senate designed to establish the five-day week and six-hour day in all industries that produce goods for interstate and foreign commerce of goods produced by persons employed for more than the hours proposed in the measure. A fine of not more than $300 or imprisonment for three months, or both, for violating its provisions is provided. The bill was referred to the judiciary committee.

"We have got to take some action and take it quickly," said Senator Black, "to absorb the millions of unemployed. This bill would enable millions to be given work. I think it is the most important measure yet proposed in connection with the unemployment situation."

ORGANIZATION NECESSARY FOR ALL FEDERAL WORKERS

Vice President of American Federation of Government Employes Stresses Importance of Organization and Affiliation with A. F. of L.

Washington.—David R. Glass, first vice president of the American Federation of Government Employes, sharply criticized certain critics of organized labor who hold that Government workers have improved or can improve their working conditions without the aid of labor groups.

Calling attention to the statement of Representative Paul J. Kvale of Minnesota at a mass meeting of Federal employes, when he said that Government workers who withdrew from the American Federation of Labor should return as that labor may present a united front, Mr. Glass said:

"Government employes are American wage earners, whether affiliated to a labor organization or not, and benefit from that fact because the legislators look to organized labor to speak for all the Nation's workers.

"It was clearly indicated in the American Federation of Labor convention that labor recognizes the American Federation of Government Employes as the only organized labor group of Government employes in the inter-departmental service.

"Government workers are like all other individuals depending upon their services for a livelihood. They are unavoidably a part of labor and, therefore, whether they are members of an affiliated organization, they still must depend upon organized labor as a whole for them, because the legislative body recognizes that any group of individuals outside of organized labor can speak only for their individual group.

"Any request from such a group will not be considered unless it is in conformity with the policies of labor as a whole and is concurred in by organized labor.

"It behooves Government employes to become an active factor in the organized labor movement and to augment as far as possible efforts put forth by organized labor. This Government employee owes to their own interest. Furthermore, it is not good citizenship nor is it even good ethics to accept benefits from an organization without showing appreciation by becoming a member and lending one's support to it.

"This was brought out in the remarks of Representative Kvale of Minnesota, who addressed a non-affiliated organization of Federal employes and urged it to reaffiliate with the American Federation of Labor."

Mr. Glass visited several cities in the Middle West where lodges of the American Federation of Government Employes recently have been organized or are being formed.

Michigan Alien Registration Law Nullified by U. S. Court

Detroit, Mich.—A Federal court of three judges signed a permanent decree against the enforcement of the Michigan alien registration law, which has been declared unconstitutional.

The law, which was enacted by the 1931 legislature, provided that all aliens in Michigan be required to register with the State auditor and pay a permit proof of legal entry into the United States. Aliens were provided for corporations who hired unregistered aliens or who had business dealings with "undesirable" aliens.

A. F. of L. BACKS TOBIN FOR LABOR SECRETARY

Albany, N. Y.—William Green, president of the American Federation of Labor, Matthew Woll, third vice president, and Joseph N. Weber, seventh vice president, representing the Executive Council of the Federation, called upon President-elect Roosevelt and urged the appointment of Daniel J. Tobin, president of the International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America, to the position of Secretary of Labor in the Roosevelt Cabinet.

The committee, headed by President Green, presented a petition signed by officers of National and International Unions, advocating the selection of Mr. Tobin, who was head of the Labor Division of the Democratic National Committee during the recent Presidential campaign.

Governor Roosevelt advised the committee that he would not begin consideration of Cabinet appointments until well along in January.

$1,900,000 Asked for Jobless Relief in Nation's Capital

Washington.—Officials of the District of Columbia, trade union leaders and welfare workers told the appropriations committee of the House of Representatives that from $1,500,000 to $1,900,000 are necessary to provide relief for jobless workers and their dependents and other destitute persons in Washington during the next year. This sum is in addition to nearly two million dollars already pledged to the Community Chest.

The Commissioners of the District of Columbia felt that $1,500,000 would provide the relief. Walter J. Ufford of the Monday Evening Club, a welfare organization, urged that at least $1,500,000 should be appropriated, while Miss Louise McGuire of the American Association of Social Workers, said $1,900,000 is needed.

Recently, due to lack of funds, the central relief organization reduced the food rations for the jobless and their dependents to the point which relief officials described as the bare bones, the standards usually regarded as necessary to sustain life on a decent basis.

Jobless Increase Under Mussolini's Dictatorship

Rome, Italy.—The number of unemployed workers in Italy totaled 1,035,000 on March 31, the latest official figures made public here. At the same time last year the total was 878,000, showing an increase of 157,000.

Premier Mussolini, who prohibits all bona fide organization of the workers and proclaims the identity of interest of those who labor and those who live on rent, interest and dividends, is unable to effect an economic organization of the country and distribution of wealth that will provide jobs and wages for those able and willing to work.

Rail Jobs Increase 23,000; 1,033,225 Now Have Jobs

Washington.—Twenty-three thousand more workers were employed on the railroads in October than in September, according to figures made public by the Interstate Commerce Commission. A total of 1,033,225 men were working at the middle of October, compared with 1,010,440 in September and 894,217 in August, the lowest level for railroad employment since 1849.

Despite the increase during the month, the total number employed was only 56 per cent of the number working in October of last year.